#### Sustainable Economic Development for the City of Galveston: Integrating Brownfields Economic Redevelopment with the Enterprise Zone **Economic Development Initiatives - A Cooperative Effort**

#### submitted to:

#### U.S. Environmental Protection Agency - OSWER Outreach and Special Projects Staff

Location:

Galveston, Galveston County, Texas

Population:

See Below

Applicant:

The City of Galveston, Texas

**Project Director:** 

To Be Determined

Application Prepared By:

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**Date Submitted:** 

December 12, 1997

**Project Period:** 

Two (2) Years

#### Community Background:

Demographic	City of Galveston	<b>Enterprise Zone</b>	Old Central/Carver Park (Pilot Priority Focus Area)		
Statistics*	(Project Location)	(Pilot Area)			
Population	59,072	48,927 (83%)	8,701 (15%)		
Labor Force	25,889	20,643 (80%)	2,673 (10%)		
<b>Unemployment Rate</b>	9.9%	11.1%	22.4%		
Median Income	\$20,825	\$17,355	\$10,417		
<b>Below Poverty Level</b>	23.5%	25.4%	51.2%		
White	61.4%	58.0%	16.8%		
(Hispanic Origin)	(21.1%)	(22.5%)	(16.3%)		
Black	29.1%	32.7%	76.7%		
Others	9.5%	9.3%	6.5%		
Maie	48.9%	48.6%	46.6%		
Female	51.1%	51.4%	53.4%		

<sup>\*</sup> Source: 1990 Census Look up 1.4 (http://venus.census.gov), Refer to Appendix A

Cooperative Partners and Proposed Project Participants: City of Galveston, Galveston Chamber of Commerce, Save "R" Hood, The Old Central-Carver Park Community Association, Galveston African-American Chamber of Commerce, Galveston Hispanic Chamber of Commerce, Galveston County Economic Development Alliance, Galveston Association of Realtors, Galveston College, College of the Mainland, Galveston Historical Foundation, Galveston County Health District, Texas Natural Resource Conservation Commission.

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#### **Project Overview**

The City of Galveston, in cooperation with community organizations focused on economic redevelopment and revitalization, is proposing a two-year Brownfields Pilot Project. The Brownfields Pilot Project will be linked with Galveston's existing Enterprise Zone economic redevelopment initiative in cooperation with the Galveston Chamber of Commerce. A priority focus will be placed on the Old Central/Carver Park areas in cooperation with the Save "R" Hood organization.

#### **Brownfields Target Areas**

A map of the Brownfields target areas, the Enterprise Zone, and the Old Carver/Central Park priority focus area, follows this section.

#### **Background**

The city of Galveston is located on Galveston Island off the southeast Texas Gulf Coast, approximately 50 miles southeast of Houston. Once a thriving industrial and economic center with a major seaport, the city has been in a steady economic decline for over thirty years. The city's population has been decreasing since World War II, with the most notable decrease being in the middle class population. In the last two decades, Galveston has lost a number of major employers such as Lipton Teas, Todd Shipyards, and the Falstaff Brewery; while the Port of Galveston has suffered a significant decline in business.

Galveston has a vigorous resort business in the seaside and outlying areas of the city, and is a very old city with many historical attractions. However, the impact of a long term negative economic decline has resulted in an inner urban area (now designated as the Enterprise Zone) with a high minority population, high unemployment, a large percentage of the population below the poverty level, and the presence of numerous vacant commercial and industrial properties. There are concentrated areas of the Enterprise Zone that have unemployment rates in excess of 20%, (with some pockets as high as 70%) and populations below poverty level in excess of 50%. [see demographic statistics in Appendix A]

Two such areas are the Old Central and Carver Park neighborhoods just west of Galveston's downtown central business district. Together, these two contiguous areas comprise 12% of the 9.84 square mile Enterprise Zone, and contain or are close to a large number of Galveston's brownfield properties. The Community Plan adopted by the city of Galveston in early 1990 states:

"the decline in industries has led to high unemployment [in Old Central/Carver Park]. The predominately African-American and Hispanic neighborhood is in crucial need of economic development and affordable housing... The presence of vacant commercial properties and the burgeoning idle labor force offer a potential for development."

Striving to reverse this negative economic trend, the City of Galveston and several civic groups and organizations have begun cooperative economic redevelopment efforts. The city of Galveston, in conjunction with the Galveston Chamber of Commerce, has applied for and received approval from the Texas Department of Commerce to designate the 9.84 square mile inner urban area as an official Enterprise Zone. The Enterprise Zone initiative, being administered by the Chamber, is designed to encourage businesses to develop in the zone by offering tax incentives, utility discounts, accelerated permits, and special loan programs. Eligible businesses are required to hire at least 25% of its employees from within the Enterprise Zone.

Save "R" Hood is a community revitalization organization working in the Old Central/Carver Park area of the Enterprise Zone. Their goal is to be a catalyst for restoration of the declining neighborhoods through business stimulation and job development activities. To achieve this goal, Save "R" Hood encourages investment and instills pride by creating and strengthening citizen-led partnerships of community stakeholders and local government.

Save "R" Hood, together with the Galveston Chamber of Commerce, is in the process of planning and funding an economic development study for the Old Central/Carver Park area of the Enterprise Zone. A portion of this study will be a Phase I environmental study to help evaluate the overall feasibility of implementing development projects in the target area. The environmental study is intended to identify existing environmental impairments or liabilities, particularly as related to properties which have the potential for redevelopment (i.e., brownfields).

#### **Goals and Objectives**

The ultimate goal of the Brownfield Pilot Project, in cooperation with the other initiatives, and with the involvement and input of the affected communities, will be to encourage and incentivise redevelopment of the economically and environmentally distressed areas of the Enterprise Zone (Brownfields Pilot target areas). If achieved, this goal can return abandoned/underutilized properties to productive commercial/industrial use and to the tax roles (including their environmental restoration), increase employment opportunity for citizens in the largely minority area, and help provide more sustainable economic development for the City of Galveston. Another goal of the project is to forge a true, on-going partnership between the city and the affected minority/disadvantaged communities which will give a voice to those communities in the redevelopment direction of the inner urban areas of the city in which they live. This goal can be accomplished through an aggressive community involvement program as proposed herein. The final goal is to commence a brownfields redevelopment initiative for Galveston which can continue on well beyond the end of the Pilot Project.

The specific project objectives of the city of Galveston's Brownfields Pilot Project, as a part of the overall cooperative effort with the Chamber's Enterprise Zone and Save "R" Hood Old Central/Carver Park initiatives, will be to:

- Conduct:a:series:of-meetings with the affected public to explain the project, and to gather their concerns and input about brownfields redevelopment.
- Use of the affected community's input\_to\_guide\_the\_site\_selection\_process, and the potential project development.
- Identify, inventory, and rank brownfield sites in the target areas.
- <u>Perform-Phase I and Phase II</u>-environmental site assessments on the sites with the highest redevelopment potentials to facilitate estimates of possible environmental cleanup costs as a part of overall redevelopment costs.
- Provide a portion or all of the environmental Phase I study input to the Chamber/Save "R" Hood economic redevelopment study.
- Identify and match potential re-development project opportunities with the brownfield sites, factoring in the affected public's concerns.
- Develop and/or identify incentives for redevelopment projects.
- Identify potential sources of private and public sector funding for the projects.
- Communicate the information, incentives, and opportunities to the public, redevelopment stakeholders, and to potential project developers.

#### **Project Strategy and Scope**

The city of Galveston's strategy is to synergistically integrate the Brownfields Pilot Project into the

Enterprise Zone economic redevelopment initiatives, with a priority focus on the Old Carver/Central Park area of the Enterprise Zone. This will be done in conjunction with the Chamber, Save "R" Hood, and other stakeholders as cooperative partners in the Brownfields Project. By so doing, the Brownfields Pilot Project can feed into the economic redevelopment initiatives useful and needed information on the environmental status of abandoned and underutilized properties as candidates for redevelopment. Conversely, the Brownfields Project can take advantage of the development incentives, potential projects, and community/business outreach programs of the other cooperative initiatives for possible redevelopment of brownfield properties.

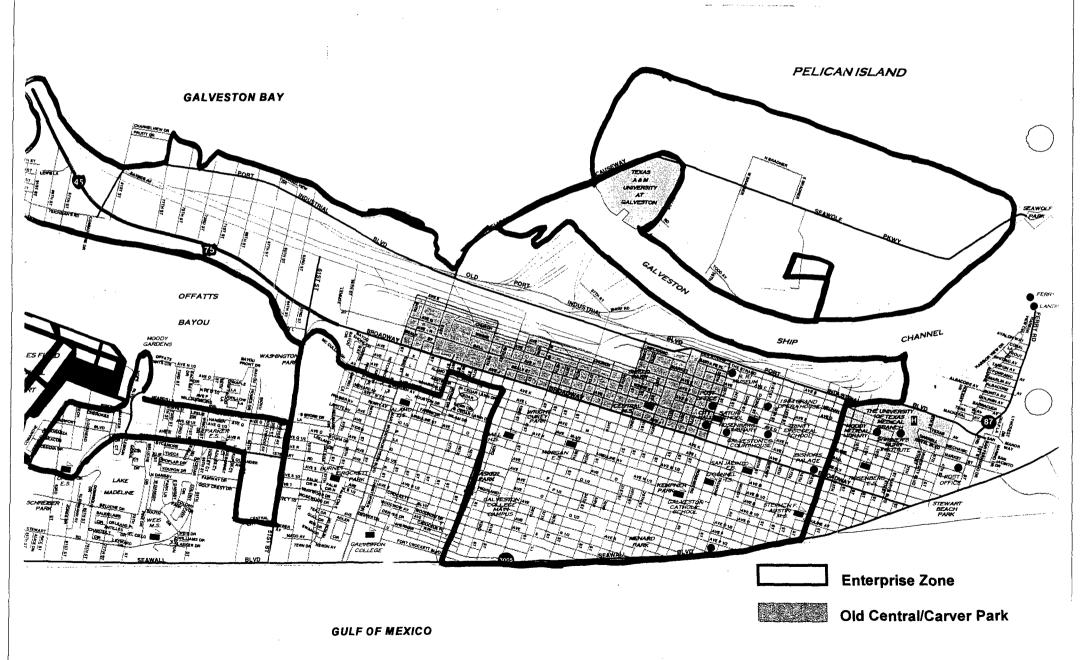
As an integrated and cooperative approach, the Brownfields Pilot Project and the Enterprise Zone redevelopment initiatives should result in a more efficient, and more cost effective, overall effort. The following outlines the project scope developed to implement this strategy:

- Form and establish a Brownfields Working Group with representatives from the primary cooperative partners and the affected community. This group will provide the oversight, guidance, and the critical decision making for the project.
- Through a series of public meetings, solicit affected community input on brownfields redevelopment concerns, economic impacts, desired redevelopment concepts, community benefits, etc.
- Develop an inventory of brownfield sites within the Enterprise Zone (this will be "focused" based on ownership status and reuse potential due to the large number of sites).
- Rank or prioritize the sites based on redevelopment potential and community needs and concerns.
- Develop an inventory data base (location, size, ownership, tax liens, private liens, type of environmental concern, degree of environmental concern, etc. Note: This data base will be updated throughout the project as new or more accurate information becomes available, and will be utilized in other project tasks).
- Develop a "LandView II" based mapping system for the Brownfield sites.
- Cross-match the sites with potential commercial/industrial/government projects within the Enterprise Zone to identify 20 "target" sites for assessment.
- Perform Phase I Environmental Site Assessments (ESAs) on the target sites. This will help identify those sites that are "perceived" to be contaminated versus actually contaminated.
- Based on the information from the cross-matching and the ESAs, identify 3 "high potential" redevelopment sites, and perform Phase II Environmental Site Assessments.
- Develop a conceptual cleanup approach and "order of magnitude" remediation estimate based on using the Voluntary Cleanup Program for the "high potential" sites.
- Develop and solicit potential funding sources (public and private sector).
- Develop information packages for the community, cooperative partners, and potential developers
  on the brownfield target sites (i.e., available sites and site issues, development potential,
  remediation issues and costs, liability limiting mechanisms, incentives available, potential funding
  sources [private and government], remediation cap insurance, etc.).

# Budget

CATEGORY	DESCRIPTION	TOTAL	
Personnel	Brownfields Project Director @ \$30K per year. (Scope: Project coordination and management of scope/schedule/budget, QAMP prep., public meeting presentations, site identification and inventory, data base development, LandView mapping activities, site assessment oversight, remedial cost estimates, development of potential funding sources, reporting and document production, coordination with Working Group, partners, and agencies)	\$60,000	
Travel	Two trips for Project Director and two working group members to visit successful model projects (locations to recommended by EPA), such as Dallas, Houston, or Shreveport. Air Fair \$200/trip/person x 2 trips x 3 people = \$1200; Hotel \$90/day/person x 4 days x 3 people = \$1080; Transportation/Per Diem \$80/person day x 5.5 days x 3 people = \$1320	\$3,600	
Materials and Supplies	Project Materials, est. @ \$150/month x 24 months (materials for reports, public forums, mailouts, etc.)	\$3,600	
Community Involvement Implementation	(4) Public Meetings, Working Group Meetings, Technical Communications Packages, Newsletter, Expert Presentations.	\$13,000	
Contracts	Preparation of Work Plan, Phase II QAPPs, Final Budget, Certification Forms, etc.	\$5,000	
	2. Phase I Environmental Site Assessments, estimated 20 @ \$1,750 per Assessment.	\$35,000	
	3. Phase II Environmental Site Assessments, estimated 3 @ \$15,000 per Assessment.	\$45,000	
	4. Redevelopment Opportunities Packages @ \$1000 per package x 20 packages.	\$20,000	
Advertising and Marketing	Public Advertising, Marketing of Potential Developers, Marketing Materials	\$10,000	
Other	Project related postage, printing, long-distance phone/fax, etc. Estimated \$200/month x 24 months	\$4,800	
TOTAL		\$200,000	

# Galveston , Texas



## **RESPONSES TO EVALUATION CRITERIA**

#### 1. Problem Statement and Needs Assessment

#### 1A. Effect of Brownfields on the Community

#### A. Community Description

The city of Galveston is located on Galveston Island off the southeast Texas Gulf Coast, approximately 50 miles southeast of Houston. The city has a population of 59,072 (1990 Census). Once a thriving industrial and economic center with a major seaport, the city has been in a steady economic decline for over thirty years. The city's population has been decreasing since World War II, with the most notable decrease being in the middle class population. In the last two decades, Galveston has lost a number of major employers such as Lipton Teas, Todd Shipyards, and the Falstaff Brewery; while the Port of Galveston has suffered a significant decline in business.

Galveston has a vigorous resort business in the seaside and outlying areas of the city, and is a very old city with many historical attractions. However, the impact of a long term negative economic decline has resulted in an inner urban area (now designated as the Enterprise Zone) with a high minority population, high unemployment, a large percentage of the population below the poverty level, and the presence of numerous vacant commercial and industrial brownfield properties. There are concentrated areas of the Enterprise Zone that have unemployment rates in excess of 20%, (with some pockets as high as 70%) and populations below poverty level in excess of 50%. [see demographic statistics in Appendix A]

#### B. Impact of Brownfields

Almost all of Galveston's brownfield sites are located within the Enterprise Zone, with a large percentage of them located in and around the impoverished Old Central/Carver park area. The residents of these largely minority areas have the highest unemployment rate (25%), and the highest percentages of people below poverty level (51%), of the entire community; these levels being significantly higher than average state or national levels (see Appendix A). There is an obvious linkage between these poverty statistics and brownfields.

Galveston's continued economic decline since World War II, including the closing of many commercial and industrial enterprises, has left behind numerous large and small brownfield properties and unemployment in these neighborhoods. The brownfields either sit idle, or have been converted into low-value warehousing. Sites that once provided employment to the residents, now blight the neighborhoods, and may even pose health and safety hazards. At a minimum, they have a significant negative impact on the community's appearance, spirit, and sense of pride.

The city of Galveston, being located on an island, is land-locked with few greenfield property areas available for economic development and expansion. Additionally, a significant portion of Galveston's land area is government owned tax-exempt properties (the University of Texas Medical Branch, Texas A&M University, the Corps of Engineers, the U.S. Coast Guard, etc.). As such, Galveston has a proportionately lower available (or potential) property tax base compared with other similarly sized communities. The significant numbers of brownfield properties which are not contributing to the tax base, magnify this problem. Redevelopment of these properties as commercial or industrial ventures could provide much needed employment opportunities for area residents, as well as increasing the city's taxable base.

These factors make the redevelopment of the numerous abandoned/underutilized brownfield properties a priority issue for revitalizing the economic growth, development, and spirit of the community; and for

reversing the long-term economic decline. As well as commercial or industrial activity, many of these properties could be used for "quality of life" projects such as affordable community housing, parks and open space.

However, barriers exist to such redevelopment. These include:

- Uncertainty for developers about environmental liability (if any);
- Lack of information about the actual environmental condition of the sites; and
- Reluctance of lenders to become entangled in the potential liability chain.

With Texas' Voluntary Cleanup Program, recent new legislation on owner and lender liability protections, federal tax incentives for environmental cleanup/brownfield redevelopment, and the incentives offered to developers through the Enterprise Zone initiatives, these barriers can be managed or even removed. What is needed is to develop, package, and communicate this information to redevelopment stakeholders and potential developers. This Brownfield Pilot Project is designed to do that.

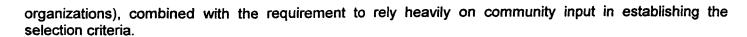
Galveston's Brownfield redevelopment property opportunities will be advertised and marketed through the Chamber of Commerce's internet web site, through the Galveston Association of Realtors, through national publications such as <u>Brownfield News</u>, and through direct marketing contacts with national brownfield redevelopment companies. Detailed Redevelopment Opportunity Packages will be prepared for the targeted sites for distribution to interested potential developers. The project's progress will be communicated to the stakeholders and the affected community through the Working Group and a periodic newsletter.

#### C. Site Selection Process

The first step in the process will be to develop an inventory of brownfield sites. The inventory process will begin by mapping the Pilot Area with LandView II, and developing a data base for collection of site information. If available, the EPA's Brownfield Information Management System (BRIMS) may be used for the data base to allow linkage to LandView. Within the Pilot Area, areas of known or suspected environmental impairment will be identified and mapped; and all abandoned and unutilized commercial/industrial property will be located, mapped, and photographed. This information will be cross-referenced to identify which sites are potentially environmentally impaired to establish the brownfield properties. Ownership (public vs. private), existing and future zoning potential, tax, and lien information will be determined and entered into the data base for the brownfields. The sites will be preliminarily ranked based on financial encumbrances, zoning, and potential severity of environmental impairment. More detail on this process is presented in Appendix B.

The Working Group, drawing heavily on the input from the community public dialogue meetings, will establish the criteria for selecting the 20 targeted Phase I sites from among the brownfields inventory. The group will then apply these selection criteria to the inventory of brownfield sites to rank, prioritize, and select the 20 targeted sites for Phase I site assessments. This will be done by cross-matching the sites with potential commercial/industrial/government redevelopment projects. Based on the information from the cross-matching, the Phase I ESAs, and the community input, the Working Group will then identify 3 "high potential" sites for Phase II ESAs, and "order of magnitude" remediation cost estimates (based on using the Voluntary Cleanup Program). This selection of the high potential sites may include a recommendation by the Working Group to the city for a zoning variance if required and applicable. Community input during the development of this proposal indicates a desire for one of these three "high potential" sites to be dedicated to a "quality of life" project.

This selection process, in conjunction with the community involvement program (see Responses 2B and 2C), will ensure participation and input from the affected community. This participation will result from the makeup of the Working Group (with strong representation from non-governmental affected-community).



#### 1B. Value Added by Federal Support

#### A. Use of EPA Funding to Advance Goals and Objectives

As discussed in the preceding section, Galveston has very few greenfield sites for development opportunities and economic growth. Therefore, redevelopment of brownfield properties is an integral and essential component of the community's larger overall economic development initiatives. A Brownfields Pilot grant will allow the city, in a cooperative effort with the Chamber, Save "R" Hood, and other stakeholders, to execute the Brownfields Pilot Project as proposed herein. This project will provide the much needed information to greatly assist in removing the barriers to brownfields redevelopment in Galveston. This can then be packaged with redevelopment incentives from the other cooperative initiatives to encourage and incentivise redevelopment of the economically and environmentally distressed areas of the Enterprise Zone, the overall goal.

#### B. Other Beneficial EPA Assistance

A portion of the proposed project budget is to allow the city's Brownfields Project Director and two Working Group members to visit and learn from two other successful model demonstration project cities. EPA can assist in this effort by recommending two such projects with goals that are similar to those of the Galveston project.

Additionally, this project will require significant research and information development in areas such as federal and state tax incentives for brownfield redevelopment, liability limiting mechanisms for owners and lenders, development of educational materials, typical cleanup cost factors and technologies, and potential sources of private and federal funds for actual cleanup costs. EPA can provide valuable assistance in these areas by providing materials which may have already been developed, and by offering recommendations to target the research in the most cost-effective manner. EPA expert participation in both the research and community/stakeholder outreach forums could also be very beneficial.

#### C. Leveraging Additional Resources, Support, Assistance

Galveston will use the EPA Brownfields Cooperative Agreement to demonstrate to other state and federal government entities, and to the private sector, that Galveston is serious about economic redevelopment, and revitalization of brownfields properties. Simply announcing that the city is applying for the Brownfields grant has already brought offers of support and assistance. Letters of support are presented in Appendix D.

A good example of this is the local support for the Brownfields Project that has been offered by the Galveston Historical Foundation. Galveston is a very old city with many historical structures and historical districts. Located within the Enterprise Zone and pilot area are a multitude of historic industrial and commercial buildings well worth perserving. The Galveston Historical Foundation has offered to marshall all the local, state, and national resources available to their organization to assist in the successful, adaptive re-use of these sites. If an old structure can be preserved as part of the redevelopment project, the Historical Foundation can assist the developer in applying for the appropriate certifications from the National Park Service, and in applying for the available Rehabilitation Tax Credits as an additional incentive.

On the state level, the TNRCC, through its Voluntary Cleanup Program, has offered to provide technical and regulatory assistance to Galveston's Brownfields redevelopment efforts. Identification for funding for cleanup and redevelopment efforts may also be available at the state level from the Texas Department of Commerce, and the Texas Economic Development Corporation; and at the federal level from Housing and Urban Development (HUD), the Department of Transportation (DOT), and the Economic Development

Administration. With an EPA Brownfields Pilot Grant, Galveston should be able to leverage such additional financial assistance to continue brownfield efforts on past the Pilot Project.

#### 2. Community-Based Planning and Involvement

#### 2A. Existing Local Commitment

#### A. Evidence of Community Support

The general need for revitalization of the Enterprise Zone area of Galveston, of which brownfields redevelopment will be a significant part, is widely accepted and supported in the community by both local government and non-governmental economic development groups. This is evidenced by the following:

- The city's 1990 Community Plan recognized the need for potential development of vacant commercial properties in revitalizing the Old Central/Carver Park areas.
- The city, in cooperation with the Chamber of Commerce, applied for and received the Enterprise Zone
  designation from the Texas Department of Commerce, with the city, state, and private businesses
  offering incentives, and extending these to brownfields redevelopment through program linkage.
- The City Council voted unanimously to pursue the Brownfields Pilot grant from the EPA.
- The Chamber of Commerce and Save "R" Hood are cooperating on economic development efforts for the Enterprise Zone and the Old Carver/Central Park Area, and are primary cooperative partners in the Brownfields Pilot Project.
- There are many cooperative partners and supporters of the Brownfields Pilot Project (see B below) that have supported the development of this proposal, and will support implementation of the project (see Appendix D Letters of Support).
- The Old Central-Carver Park Community Association has recently adopted a set of by-laws and is
  electing officers to formalize its efforts to revitalize some of Galveston's most blighted neighborhoods,
  and the City Council has voted to allocate Community Development Block Grants to these
  neighborhoods to help in the effort.

Local community support and involvement in Galveston brownfields redevelopment efforts was also evidenced in the preparation of this proposal. The Chamber of Commerce, a primary cooperative partner, provided demographic data, contacts and networking with other organizations, and all input relating to the Enterprise Zone initiative. Save "R" Hood, a local non-profit community organization focused on revitalization of the affected community in the Old Central/Carver Park neighborhoods, provided significant input to the proposal on effective community involvement aspects, and on the site selection process. They have also agreed to be a primary cooperative partner in the project, and will be responsible for implementing and documenting the community involvement plan. The Galveston Historical Foundation, a local non-profit, provided historical information on the economic history which resulted in Galveston's brownfields. KMA Environmental Services, Inc., a local environmental engineering and consulting firm, provided voluntary services in the drafting and preparation of the proposal for the City, and in coordination with EPA, TNRCC, and the other cooperative partners on the proposal effort. The Galveston Association of Realtors provided time for a presentation of the brownfields potential to their membership.

#### B. Cooperative Partners, Supporters, and Proposed Project Participants

Although many of the supporters of the project are governmental entities, a significant number (see Appendix C) are local, non-governmental organizations. These organizations have played an active role in the development of the proposal, as discussed in the preceding response, and will be an integral part of the implementation of the project as discussed herein.



Although the city of Galveston is just starting down the road of brownfields redevelopment, some progress has been made. The decision to pursue the Brownfields Pilot Project as an integrated and important portion of the overall economic revitalization of the community is evidence of the city's commitment. As discussed in other sections, this effort is widely supported by many government and non-government organizations. The city recognizes that redevelopment of brownfield properties is necessary for sustainable economic development, especially given the lack of space on the island for greenfields development. Therefore, continued significant progress will be made.

A specific recent example of brownfields progress is a new committee created by the city for the purpose of redeveloping property on Galveston island that has been used by the U.S. Army Corps of Engineers as a dump site for dredge material. The committee is also tasked with finding financial resources for developers. Another example is the partnership just entered into by the city and the Galveston Community Development Corporation (GCDC). GCDC is a local non-profit organization with goals of creating affordable home ownership opportunities, stimulating neighborhood revitalization, and facilitating economic prosperity in blighted areas of the community. The city has agreed to provide approximately \$235,000 in Federal HOME funds to this effort. A third specific example is the redevelopment of a contaminated property for a city park. This was a voluntary effort by Southern Union Gas, in cooperation with the city.

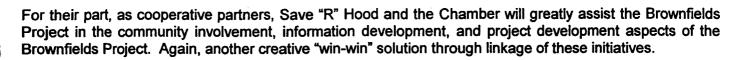
#### D. Creative Solutions and Brownfields Linkage

The city of Galveston, in conjunction with the Galveston Chamber of Commerce, has applied for and received approval from the Texas Department of Commerce to designate a 9.84 square mile inner urban area of Galveston as an official Enterprise Zone. The Enterprise Zone initiative, being administered by the Chamber, is designed to encourage businesses to develop in the zone by offering an attractive package of incentives including tax incentives, utility discounts, accelerated permits, and special loan programs. The city of Galveston and the Chamber, by linking the Brownfields Pilot Project to the Enterprise Zone (the Pilot Area), extends these available incentives to eligible and qualifying brownfields redevelopment projects. The Enterprise Zone Incentives Package is presented in Appendix D.

For its part, the Brownfield Pilot Project will encourage development in the Enterprise Zone by providing the information needed to lower or remove the barriers to redevelopment of abandoned or underutilized commercial and industrial properties located within the Enterprise Zone. The linkage of these two initiatives provides a creative "win-win" solution for both. Furthermore, eligible businesses are required to hire at least 25% of their employees from within the Enterprise Zone, which can help provide a creative solution to some of the Pilot Areas' unemployment problems.

Save "R" Hood is a community revitalization organization working in the Old Central/Carver Park area of the Enterprise Zone. Their goal is to be a catalyst for restoration of the declining neighborhoods through business stimulation and job development activities. To achieve this goal, Save "R" Hood encourages investment and instills pride by creating and strengthening citizen-led partnerships of community stakeholders and local government. Save "R" Hood, together with the Galveston Chamber of Commerce, is in the process of planning and funding an economic development study for the Old Central/Carver Park area of the Enterprise Zone. Funding will most likely come from Federal Block Grant money.

A portion of that study is planned to be a Phase I environmental study to help evaluate the overall feasibility of implementing development projects in the target area. The environmental study is intended to identify existing environmental impairments or liabilities, particularly as related to properties which have the potential for redevelopment (i.e., brownfields). Save "R" Hood has agreed to be a cooperative partner with the Brownfields Pilot Project. The linkage of the Brownfields Project with the Save "R" Hood/Chamber economic development study can provide a portion or all of the environmental Phase I study input to the economic development study. This can free needed Block Grant funds for use in other needed areas.



#### 2B. Community Involvement Plan

#### A. Plan for Ensuring Community Short and Long-Term Involvement

The goal of the community involvement plan is to achieve early, ongoing, and meaningful public participation by providing an active role for the affected community in the actual planning and decision-making process for the project. This will be accomplished through the establishment of a brownfields Working Group, and a series of public dialogue meetings.

The brownfields Working Group will consist of a small group of about 15 community leaders, city officials, stakeholders, and project personnel. It is proposed that the group will include two representatives from each of the primary cooperative partners (the city, the Chamber of Commerce, Save "R" Hood); two from the affected community group (the Old Central/Carver Park Community Association); one each from the African-American Chamber of Commerce, the Hispanic Chamber of Commerce, the Galveston Association of Realtors, the Galveston Historical Foundation, and the Galveston County Economic Development Alliance. The other members will be sought for technical expertise in such areas as environmental, regulatory, legal, financial, or real estate development.

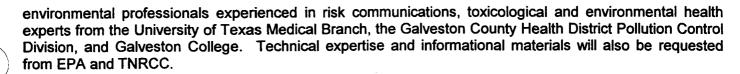
This Working Group will meet monthly through the project for decision making and policy planning. They will take the lead role in the site selection process as explained in Response 1A-C, with significant input from the affected communities. The community leaders will represent the larger community by regularly keeping the larger community appraised of events, and then relaying the community's concerns and opinions back to the Working Group. It is anticipated that this Working Group will continue after the conclusion of the pilot project for the on-going brownfields redevelopment efforts in the community.

The public dialogue meetings will provide citizens an opportunity to voice their opinions and concerns about brownfields redevelopment, desired redevelopment concepts, community needs, economic impacts, and potential community benefits. Structured interactive discussion and debate will be used to determine how the project may help achieve community goals. This input will be used in the ranking and prioritization of the brownfield sites, and in matching potential redevelopment projects to targeted sites. A total of four public meetings are planned. Two will be at the start of the project for initial public education and input, one will be an interim meeting discussing targeted sites, and one at the conclusion to present results and potential redevelopment project concepts. It is planned to request the assistance of EPA and/or TNRCC expert personnel in the educational portions of the initial meetings.

#### **B.** Technical Information Communications Plan

Technical environmental communications will be handled by the Project Director in concert with cooperative partners, supporters, and the brownfields Working Group. Communications media will include technical information packages, public meetings, a periodic brownfields newsletter, and presentations to civic groups and neighborhood associations. Technical environmental communications will be designed and tailored to reflect the perspectives, technical capacity, and concerns of the targeted audiences. To ensure effective communication with disadvantaged communities, the communications will be couched in clear and plain language, will respect the audience and its concerns, and will seek to inform the recipients, without "talking down" to them. Special communication needs (i.e., translations, illiteracy) will also be accommodated as they are identified.

Professional expertise available in the Galveston area to assist in technical communications include



#### 2C. Environmental Justice Plan

#### A. Participation of Low Income, Minority, and Disadvantaged Communities

During preparation of the proposal, significant input was obtained from community leaders representing the affected minority and disadvantaged communities. These included Save "R" Hood as previously discussed, and City Council member, Rev. James Thomas, who represents the Old Central/Carver Park neighborhoods. Their input focused heavily upon development of the Community Involvement Plan, and the site selection process to ensure participation of the affected communities during project implementation.

The Project's Pilot Area, especially the Old Central/Carver Park priority focus area, are mainly minority, low income communities (see Appendix A). Cooperative partners, supporters, and participants of the Project (see Appendices C & D) include several civic groups and organizations which represent these communities. These organizations will provide representation on the brownfields Working Group (as discussed in Response 2B-A) to ensure that the minority and disadvantaged communities are well represented in the decision making process. The public dialogue meetings will be held at convenient times and accessible locations within the targeted areas, with significant advanced advertising of the meetings to solicit attendance from these communities. As discussed in preceding responses, input from the meetings, and from the brownfields working group will be used in the ranking and prioritization of the brownfield sites, and in matching potential redevelopment projects to targeted sites.

#### B. Environmental and Economic Benefits to Disadvantaged Communities

The Project will place a priority focus on brownfield sites within the city's largest minority and disadvantaged area. Through the site assessment process, the environmental status of the targeted brownfield sites can be determined. This can have the obvious benefit of identifying potential environmental health concerns within the Pilot Area's disadvantaged communities. Through the process of identification, these sites can be managed in a protective manner, even if a redevelopment project does not result. From the opposite perspective, if a targeted site which is perceived to be contaminated can be shown to be environmentally sound through the assessment process, than a barrier to redevelopment can be removed.

In the process of matching potential redevelopment projects with targeted brownfield sites, the Working Group will give priority consideration to projects with positive, environmentally clean future uses to promote sustainable development. In addition to potential commercial projects, strong consideration will also be given to quality of life projects such as recreational parks, community centers, or affordable housing.

Through linkage of the Brownfields Project and the Enterprise Zone initiative, commercial brownfields redevelopment projects which take advantage of the Enterprise Zone incentives will be required to hire 25% of their work force from within the Enterprise Zone. This will help ensure that the local communities get first priority at receiving these jobs. To assist in this effort, job training services will be offered through the Small Business Development Center programs at Galveston College as an additional incentive. This can result in a very positive economic benefit to the disadvantaged communities within the area. Providing members of these communities with concrete skills and experience is one tangible benefit which can last long after the Pilot Project is complete.

#### C. Other Steps for Environmental Quality in Disadvantaged Communities

Galveston is placing a major priority on the redevelopment and revitalization of the Old Central/Carver Park

communities beyond just the brownfields program. Approximately \$2.4 million in community block grants have been committed to this area by the city for redevelopment and rebuilding of the area's infrastructure. Through the U.S. Department of Justice's Operation Weed and Seed, another \$125,000 per year for the next three years is being committed to these areas for neighborhood restoration programs, including employment programs, after-school day care, and a city partnership for reporting and cleaning up trash buildups in the area. An additional \$75,000 per year for the next three years will be applied to improving law enforcement efforts in the area.

These efforts, coupled with the Enterprise Zone and the Brownfields Pilot Project, attest to Galveston's commitment to revitalization of the largely minority and disadvantage communities of our inner city areas. The city understands that true sustainable economic development of these areas will require a more global approach to the community's environment than just contaminated site cleanups, or just economic development.

#### 3. Implementation Planning

#### 3A. Appropriate Authority and Government Support

#### A. Legal Authority

The legal authority for executing this Brownfields Pilot Project and for identifying the sites is the City of Galveston through its authority granted in its city charter. The City Council voted unanimously on August 14, 1997 to authorize the City Manager to pursue the Brownfields Pilot grant from the EPA. The city also has the authority to condemn or take abandoned or tax defaulted property, should it be necessary. The regulatory guidance and legal authority for assessing and remediating brownfields will be through the Texas Natural Resource Conservation Commission's Voluntary Cleanup Program.

#### B. Support of State and Local Agencies

The Galveston Brownfields Pilot Project will be supported by state and local environmental, economic development, and health agencies. At the state level, the Texas Natural Resource Conservation Commission (TNRCC) Voluntary Cleanup Program (VCP) has indicated a willingness to support Galveston in this effort as a cooperative partner. TNRCC will provide technical, regulatory, and educational assistance and information to the program. The Texas Department of Commerce will provide to targeted brownfield projects within the pilot area the same state incentives available for the Enterprise Zone initiative.

At the local level, Galveston's City Council, on July 12, 1997, designated the Galveston Chamber of Commerce as the official entity for the city's economic development program. The Chamber is also responsible for local administration of the Enterprise Zone initiative, in conjunction with the Texas Department of Commerce. The Chamber is a primary cooperative partner in this Brownfields Pilot Project, and provides the linkage of the project with the Enterprise Zone initiative. Through this linkage, the state and local Enterprise Zone redevelopment incentives will be available to targeted brownfields projects.

The Galveston County Economic Development Alliance is a county wide alliance of communities, industry, and businesses whose purpose is to 1) promote economic development on a county wide basis, 2) attract new businesses to the county, and 3) promote expansion and growth of existing businesses. The Alliance is a supporter of this Brownfields Pilot Project, and will assist in the promotion of potential brownfield redevelopment projects. The Galveston County Health District, Pollution Control Division is also a supporter of this Brownfields Pilot Project. The Health District will assist in the site assessment process by providing information on known or suspected environmental impacts or impairments at or near the properties being assessed.

Letters of support from these state and local agencies can be found in Appendix C.

#### 3B. <u>Environmental Site Assessment Plan</u>

#### A. Use of Quality Environmental Procedures

The Phase I and Phase II Environmental Site Assessments (ESAs) proposed to be done as a part of this project will be performed by qualified and experienced environmental professionals. Such professionals will be required to provide evidence of professional credentials, experience, and education. The Phase I ESAs will be required to be performed in accordance with the American Society for Testing and Materials (ASTM) Standard Practice E 1527- 94, "Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process."

Phase II ESAs will involve the collection of soil and/or groundwater samples from sites suspected to be contaminated. A Quality Assurance Project Plan (QAPP) will be developed and approved prior to performance of the Phase II ESAs. This plan will help ensure that samples shall be collected, preserved, handled, and analyzed in accordance with TNRCC regulatory guidance, and with EPA-approved methods as specified in EPA publication SW846, "Test Methods for Evaluating Solid Waste - Physical/Chemical Methods."

Occupational Health and Safety Act (OSHA) rules shall be adhered to throughout the project. All assessment personnel shall be required at all times to take the appropriate measures to protect the health and safety of non-involved personnel, and to protect property from damage.

#### 3C. Proposed Cleanup Funding Mechanisms

The identification and development of potential sources of funds for cleanup of brownfield properties is a specific task within the Brownfields Pilot Project scope. It is felt that identification and development of actual funding sources will be more effective when specific target properties and development projects have been identified and matched as a part of the Pilot Project. The goal is to identify three government sources and three private sector sources. The government sources may include EPA's new Brownfields Cleanup Revolving Loan Fund Demonstration Pilots, the Department of Housing and Urban Development (HUD) Community Development Block Grant funds, HUD's Section 108 Loan Guarantee Program, or the Department of Commerce Economic Development Administration's Public Works Program and Revolving Loan Fund Program. Private sector funding (as well as project development) may be available from companies in the business of redeveloping brownfield properties, from private non-profit foundations, and from local financial institutions.

#### 3D. Flow of Ownership Plan

#### A. Ownership Flow Through the Process

The targeted brownfield sites will be identified as a part of the Pilot Project. Therefore, actual ownership flow cannot be specifically determined at this time. It is anticipated that the present owners of targeted brownfield sites (government or private) will retain ownership of the sites through the Pilot Project's identification and assessment process. Some private owners may be unwilling or unable (bankruptcy or other legal problems) to cooperate, and may have to be eliminated from the list of targeted sites. However, dependent upon liability considerations, the city may choose to take ownership of certain sites through the cleanup and redevelopment process; or the city may already own sites (through tax default) and be able to receive liability release under the Texas Voluntary Cleanup program.

Should a site go to actual cleanup and redevelopment, ownership flow could take one of several scenarios

depending on the nature of the redevelopment project and the source of funding. The present owner of the site could retain ownership through the cleanup, and then transfer ownership for the redevelopment. The ultimate owner could take possession up front with the intention of performing the cleanup as part of the redevelopment process. Or an interim owner, such as a brownfields redevelopment company or the city, could take ownership through the cleanup and redevelopment, and then transfer ownership of the redeveloped property.

#### B. Anticipated Ownership Liability Problems and Plans

The plan to address ownership liability problems includes performing the Phase I ESAs in strict accordance with ASTM E 1527- 94 as discussed in A above; and through application of the TNRCC's VCP in cleanup of the brownfield sites. Under the VCP, once a contaminated site is cleaned up to a standard that is appropriate for its intended use, the TNRCC can certify that future owners and lenders will not be held liable for problems associated with the contamination that was once there. With this release from liability, the owner of a brownfield can attract prospective buyers to a property made viable for redevelopment. The VCP's liability protection provisions have recently been expanded and clarified by two new state laws. The new laws provide:

- Liability protection to certain owners who acquired their property before the VCP was established:
- A mechanism by which innocent persons may obtain a Certificate of Completion;
- A release from liability for all parties not responsible for contamination to the site, including future lenders, tenants, and landowners; and
- Receipt of immunity from the State Superfund Program for owners or operators who pursued appropriate inquiry consistent with good commercial or customary practice, but failed to know or have reason to know of contamination when the property was acquired.

Additionally, under CERCLA, EPA has clarified for the Brownfields program, the conditions under which certain parties are exempt from CERCLA liability. These include involuntary acquisitions of contaminated properties by government entities, lenders that hold security interests in contaminated properties, and owners of properties containing contaminated aquifers. Generally, these parties are exempt from CERCLA liability if they did not contribute to the contamination, or participate in the management of a facility or operation that caused the contamination. The specifics of these VCP and EPA liability exemptions will be communicated to potential developers and lenders as part of the Project deliverables.

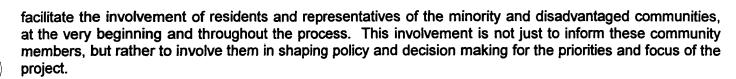
#### 4. Long-Term Benefits and Sustainability

#### 4A. National Replicability

#### A. Local Barriers and Methods to Address

Although civic organizations representing the minority and disadvantaged communities are cooperative partners for the Project, many of the residents of the impacted communities may not participate. Experience in other communities has shown that the lack of participation by affected residents of the pilot area can provide significant local barriers to a successful brownfields program. Galveston's Project will address this local barrier by using methodologies recommended by the National Environmental Justice Advisory Council (NEJAC) in their report entitled *Environmental Justice*, *Urban Revitalization*, and *Brownfields: The Search for Authentic Signs of Hope*.

Galveston's Project will address these local barriers through design and implementation of the community involvement plan. As previously discussed, this plan includes the use of multiple public dialogue meetings, and a Working Group for project direction and oversight. Both elements of the plan are designed to



#### B. Use of this Plan as a Model

The majority of previous Brownfields Pilots have been awarded to larger cities, many of which had already started on their brownfields redevelopment programs. Galveston's Pilot Project can be used as a model for smaller cities (less than 100,000 population) which, like Galveston, are just beginning on their brownfields program. The structure of the community involvement plan will serve as a good model for communities just starting on their brownfields program who are facing similar barriers, as well as providing for an actual application of the NEJAC recommendations as a case study.

This project will also be able to demonstrate the effectiveness of linkage between the brownfields program and an Enterprise Zone or Empowerment Zone initiative to leverage the incentives of both programs for redevelopment. The site inventory/site selection process, including the development of an inventory data base are front end tools that may be useful to other communities which have not yet inventoried their sites.

#### 4B. Measures of Success

#### A. Description of Benefits

As discussed, the Brownfields Pilot Project is linked to the Enterprise Zone initiative which requires project developers to hire at least 25% of their employees from the Enterprise Zone. Potentially, the Pilot Project, by assessing and quantifying environmental concerns, can result in identifying one or more properties for redevelopment as an Enterprise Zone project. This will result in the following direct benefits to the community:

- The forging of a working partnership between the city and the minority/disadvantaged communities which can give those communities a voice in the decisions affecting the economic development and environmental conditions in their neighborhoods;
- The potential to re-direct development from outlying, scarce greenfield areas to inner urban areas, thus perserving the available greenfields for other uses;
- Creation of much needed employment opportunities in a largely minority, impoverished area;
- Redevelopment of an abandoned or underutilized property, returning it to productive commercial or industrial use and the tax roles;
- Possible cleanup of environmental impairments in the community; and
- More sustainable economic development for Galveston as a whole.

Less dramatic, but still valuable benefits will be realized by the economic development activities of Galveston, the Chamber of Commerce, and Save "R" Hood from the brownfields site inventory and site assessment information developed by the project. It will provide a definitive list of brownfields properties, with an understanding of their present environmental status. Also, information from the project will feed into the Chamber/Save "R" Hood's economic development study, and free up Federal Block Grant funds for other useful purposes.

#### **B.** Baseline and Specific Success Measurements

The obvious overall measure of success of the Brownfields Pilot Project will be if one or more brownfields properties can be successfully redeveloped as Enterprise Zone projects resulting in the benefits described above. This could take longer than the two year project period to materialize. Specific, short-term measures of success linked to the Brownfields Pilot Project goals, and their baseline measurements are

presented below.

• Goal: Conduct a series of meetings with the affected public to explain the project, and to gather their concerns and input about brownfields redevelopment.

Measurement: Conduct four (4) public meetings with a high level of interest and usable input.

• Goal: Identify, inventory, and rank brownfield sites in the target areas.

Measurement: Development of a data base inventory and LandView mapping system.

 Goal: Perform Phase I and Phase II environmental site assessments on the sites with the highest redevelopment potentials to facilitate estimates of possible environmental cleanup costs as a part of overall redevelopment costs.

Measurement: Twenty (20) Phase I ESAs, three (3) Phase II ESAs, and (3) cleanup cost estimates.

• Goal: Provide a portion or all of the environmental Phase I study input to the Chamber/Save "R" Hood economic redevelopment study.

Measurement: Concurrence by the Chamber/Save "R" Hood that their environmental assessment and study needs are fulfilled.

• Goal: Identify and match potential re-development project opportunities with the brownfield sites, factoring in the affected public's concerns.

Measurement: Three (3) potential projects identified and matched to brownfields sites.

• Goal: Develop and/or identify incentives for redevelopment projects.

Measurement: Develop four (4) additional incentives, beyond the existing Enterprise Zone incentive package, specific to brownfields redevelopment.

• Goal: Identify potential sources of private and public sector funding for the projects.

Measurement: Evidence (letter) of interest in providing potential project funding from three (3) government sources and (3) private sources.

• Goal: Communicate the information, incentives, and opportunities to the public, redevelopment stakeholders, and to potential project developers.

Measurement: Production of twenty (20) Redevelopment Opportunities Packages.

#### C. Reports and Deliverables

The Brownfields Project Director will prepare for the Working Group, EPA, cooperative partners, and interested stakeholders, eight (8) quarterly progress reports, and a final project report as documentation of the project's progress and success. Other project deliverables that will be available for EPA's and others' review include:

- Quality Assurance Management Plan and Quality Assurance Project Plans
- Community Meeting Reports and Videos
- Brownfields Inventory Data Base
- LandView II Mapping System
- ESA Phase I Reports
- ESA Phase II Reports
- Cleanup Cost Estimates
- Funding Sources' Letters of Interest
- Redevelopment Opportunities Packages

#### D. Specially-Designated Category

The city of Galveston is not applying for any specially-designated category.

#### **Appendices**

- A. Demographics Information City of Galveston
- **B.** Site Selection Process
- C. List of Supporters and Project Participants
- D. Letters of Support and Interest
- E. Enterprise Zone Incentives Package Available to Brownfields

# APPENDIX A Demographics Information City of Galveston Brownfields Pilot Project Application

DESCRIPTION	National	State	City of Galveston	Enterprise Zone	Old Central/Carver Park
Population	248,709,873	16,986,510	59,072	48,927	8,701
Unemployment Rate	7,792,248/6.7%	584,749/7.7%	2,570/9.9%	2,284/11.1%	598/22.4%
Civilian Labor Force	115,681,202	7,634,279	25,889	20,643	2,673
Median Income Level	\$30,056	\$27,016	\$20,825	\$17,355	\$10,417
Population Below Poverty Level	31,742,864/12.8%	3,000,515/17.7%	13,891/23.5%	12,433/25.4%	4,458/51.2%
Population Breakdown by Race					
(Hispanic Origin) *	21,900,089/8.8%	4,294,120/25.3%	12,491/21.1%	11,008/22.5%	1,415/16.3%
White	199,827,064/80.4%	12,787,521/75.3%	36,283/61.4%	28,396/58.0%	1,458/16.8%
Black	29,930,524/12.0%	2,018,543/11.9%	17,130/29.1%	15,997/32.7%	6,674/76.7%
American Indian, Eskimo, or Aleut	2,015,143/.8%	69,872/.4%	194/.3%	194/.4%	21/.2%
Asian/Pacific Islander	7,226,986/2.9%	315,072/1.9%	1,439/2.4%	981/2.0%	49/.6%
Other Race	9,710,156/3.9%	1,795,502/10.5%	4,026/6.8%	3,359/6.9%	499/5.7%
Population Breakdown by Gender					
Male	121,172,379	8,363,296	28,861	23,791	4,059
Female	127,537,494	8,623,214	30,211	25,136	4,642

<sup>\*</sup> NOTE: Hispanic Origin is not considered a race by the Census Beaureu, its population will be spread through the other races, but predominately white

**Information Source:** 

http://venus.census.gov (1990 Census Look up 1.4)

**Census Tracts Provided By:** 

City of Galveston Enterprise Zone Application (John Tindel, President, Galveston Chamber of Commerce)
Save "R" Hood Director Laurie Andress

#### APPENDIX B

#### **Site Selection Process**

#### City of Galveston Brownfields Pilot Project

- 1. Develop from LandView II map(s) of the Pilot Area to assist in the location, identification, plotting, and inventory of potential brownfield sites.
- 2. Prepare an electronic data base for the inventory of potential brownfield sites which will allow sorting of the data base by different criteria (location, size, ownership, tax liens, private liens, type of environmental concern, degree of environmental concern, etc.). (Note: This data base will be updated throughout the project as new or more accurate information becomes available, and will be utilized in other project tasks.)
- 3. Identify Areas of Known or Suspected Environmental Impairment in the Pilot Area:
  - Conduct a zip-code based electronic data base search of local, state, and federal environmental data bases to identify known or potentially contaminated sites within the Pilot Area. Locate, identify, and plot these sites on the maps.
  - Obtain from city departments (Fire, Public Works, Police) and the Galveston County Health District, Pollution Control Division, identification of and information on any known or suspected environmentally impaired or distressed sites within the Pilot Area. Locate, identify, and plot these sites on the maps.
- 4. Locate all abandoned or unutilized commercial/industrial sites in the Pilot Area:
  - Develop a list of known abandoned or unutilized commercial/industrial properties within the Pilot Area that are presently in public sector ownership (city, county, state, federal). Locate, identify and plot these sites on the maps.
  - Perform a field reconasaince (driving/walking) survey of the Pilot Area to identify any other abandoned or unutilized commercial/industrial sites not previously identified. Locate, identify, and plot these sites on the maps.
  - As part of the field reconasaince, photographically document all abandoned/underutilized sites identified above.
- 5. Determine those abandoned/unutilized commercial/industrial sites which are potentially environmentally impaired:
  - As part of the field reconasaince, inspect all identified abandoned/unutilized sites for visual signs of potential environmental impairment. If identifiable visual concerns exist, the potential exists for environmental impairment. Enter these sites in the Brownfields data base.
  - Cross reference the location of sites of known or suspected environmental impairment with the location of the abandoned/unutilized sites developed above. If the impaired locations coincide with or are adjacent to the abandoned/unutilized sites, the potential exists for environmental impairment at the abandoned/unutilized sites. Enter these sites into the Brownfield data base.
- 6. Determine present ownership, zoning, tax and lien status of all sites on the inventory.
- 7. Subdivide the inventory into publicly owned versus privately owned sites.
- 8. Perform a preliminary ranking of the sites based on financial encumbrances and potential severity of environmental impairment.
- 9. Enter brownfield site inventory data into data base.

#### **APPENDIX C**

## List of Cooperative Partners, Supporters, and Proposed Project Participants

#### City of Galveston Brownfields Pilot Project

#### **Local Government**

City of Galveston (1)
Galveston Independent School District (2)
Port of Galveston (2)

#### Local Non-Government Community Groups, Non-Profits, and Other Enterprises

Galveston Chamber of Commerce (1)
Save "R" Hood (1)
Old Central-Carver Park Community Association (3)
Galveston African-American Chamber of Commerce (3)
Galveston Hispanic Chamber of Commerce (3)
Galveston Association of Realtors (3)
Galveston Historical Foundation (3)

#### **Local Colleges**

Galveston College and College of the Mainland (3) (Galveston County Small Business Development Center)

#### **County Government**

Galveston County Economic Development Alliance (3)
Galveston County Health District, Pollution Control Division (3)

#### **State Government**

Texas Natural Resource Conservation Commission, Voluntary Cleanup Program (3)
State Representative Patricia Gray (2)
State Representative Craig Eiland (2)

#### Federal Government

US Congressman Nick Lampson (2)
US Senator Kay Bailey Hutchinson (2)
US Senator Phil Gramm (2)

- (1) Primary Cooperative Partners
- (2) Supporters
- (3) Proposed Project Participants

#### **APPENDIX D**

## Letters of Support and Interest

City of Galveston Brownfields Pilot Project



# GALVESTON CHAMBER OF COMMERCE

Mission Statement: To <u>Strengthen</u> the business climate, <u>Promote</u> community development, and <u>Enhance</u> the quality of life on Galveston Island

November 19, 1997

Mr. J.W. Turner KMA Environmental Services, Inc. PO Box 92 Texas City, Texas 77592-0092

Dear Mr. Turner:

The Galveston Chamber of Commerce is pleased to support the City of Galveston in its application for a Brownfield Pilot Project Grant from the United States Environmental Protection Agency.

We help administer the enterprise zone for the City of Galveston. This grant will allow us to help the city identify, inventory and rank brownfield sites in the enterprise zone. We can also assist with present and future economic development projects in the zone area and we will work closely with the City on projects within the zone.

Please contact the President of the Galveston Chamber of Commerce, John Tindel, at (409) 763-5326 ext. 155, or by fax at (409) 763-8271.

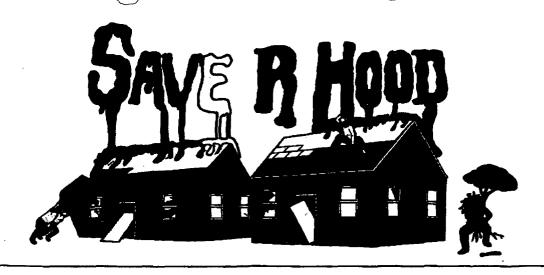
If you need any additional information, please feel free to call me directly. Thank you for your assistance in this matter.

Respectfully,

John Tindel President

JT/jf





Jun S. Truscott, Esq. December 6, 1997 eident

un Andress cutive Director

Mr. Steve LeBlanc City of Galveston P. O. Box 779

ilya Doyle, M.D., strer in Texas

Galveston, Texas 77553

Romby, A.E. ton Island Texas Dear Mr. LeBlanc:

le Barbara K. Crews cayor, City of Galveston in Island, Texas

The application by the City of Galveston for the 1998 Brownfields Assessment Demonstration Program is to be commended. At the City's request Save R Hood has agreed to assist in meeting EPA requirements for working with and including the affected community subject to the activities described below.

ony P Griffin Esq. or P Griffin. Inc. on Island, Texas

Save R Hood will support the pilot project and has assented to the following activities:

Coffin, B.S., R.N. n, Texas

> Save R Hood will select two of the 15 representatives to the Brownfields Working Group and assist the Old Central/Carver Park neighborhood association in appointing two other members.

nynes, CIRA. raes & Company te City. Texas

> Save R Hood and a representative from the neighborhood will provide insight to the project's Working Group based on site visits to other successful Brownfields pilot projects.

Milbum B.F. Restaurant on Island, Texas

> Save R Hood and the community representatives will provide guidance and assistance in planning the four public meetings.

di Mitchell, FLA. on Island, Texas

Save R Hood will assist in ensuring that all public meetings are taped and

Owsley, Esq. Texas

transcribed into a comprehensive report.

D. Peters, Mgr. Warth, Texas

- Save R Hood and neighborhood representatives will assist the City in selecting at least three sites for phase I testing, and one site for phase II
- esquez. Esq. ingen. Vasquez, & Monks on Island, Texas
  - Eacharie : Contractor skurki, Texas

#### p. 2 Save R Hood

testing and the production of cleanup estimates.

- Save R Hood will help ensure that one of the three sites selected for development will be dedicated to a "quality of life" project as agreed upon by Save R Hood and the neighborhood representatives.
- Save R Hood will support City efforts to identify potential sources of development for the "quality of life" project and prepare a redevelopment opportunity package to give to potential developers for the project.

Because the City of Galveston has shown a sincere interest in redeveloping the target area that is the focus of Save R Hood, and has committed to community involvement as outlined above, we support the City of Galveston's application and subsequent implementation of a pilot project under the Brownfields Assessment Demonstration Program.

Lauri Andress
Executive Director

LAA:la



# GALVESTON HISTORICAL FOUNDATION

Organized in 1871 Chartered and Incorporated in 1954

November 17, 1997

Messrs. Steve LeBlanc and Henry Freudenburg City of Galveston P. O. Box 779 Galveston, TX 77553

Dear Steve and Henry:

I am writing in response to your letter of November 13, 1997, regarding the City of Galveston's application to the United States Environmental Protection Agency for a Brownfield pilot project grant under the 1998 Brownfield Assessment Demonstration Program.

As you are aware, Galveston Historical Foundation, Texas' oldest historic preservation group, and the second largest locally-based preservation organization in the nation, has, as its central mission, the preservation and adaptive re-use of Galveston's historic resources. Located within the City of Galveston Enterprise Zone and the potential Brownfield pilot project area here in the City, are a multitude of historic industrial and commercial buildings well worth preserving. Galveston Historical Foundation stands ready to marshall all the local, state, and national resources available to our organization to assist in the successful, adaptive re-use of the sites. More specifically, we are currently negotiating for the acquisition of a large warehouse complex within the Enterprise Zone, which we would be interested in finding a development partner to adaptively restore these structures.

Please know that if the City is successful in obtaining this grant, GHF will work with you diligently to the successful conclusion of the project. Thank you for including us; I appreciate the information you forwarded.

Sincerely,

Betty A. Massey
Executive Director

A:SBHF.d48



November 24, 1997

Mr. J. W. (Win) Turner, P.E. KMA Environmental Services, Inc. P. O. Box 92 Texas City, TX 77592-0092

Dear Mr. Turner:

On behalf of the Galveston Independent School District, I am pleased to submit this letter of support for the City of Galveston's application to the United States Environmental Protection Agency (USEPA) for a Brownfields Pilot Project Grant under the 1998 Brownfields Assessment Demonstration Program. It is my understanding that the Brownfields Project will be a cooperative effort, involving the existing Enterprise Zone initiative and the Galveston Chamber of Commerce. A primary focus will be placed on the redevelopment of the distressed areas at the Old Central/Carver Park Neighborhood in cooperation with the Save "R" Hood organization.

I have reviewed the proposed goals and objectives of the project, as outlined by the City. The opportunities, incentives, and benefits available to the community hold great potential in the areas of environmental safety, increased employment opportunities for minority citizens, and economic growth for the City. This project will also greatly assist the school district in its ongoing efforts to return abandoned/underutilized properties to the tax roles.

As the superintendent of schools, I am particularly interested in any initiative that will improve the quality, safety, and attractiveness of the neighborhoods where many of our minority students live and play. The Brownfields Project represents a realistic opportunity to enhance the pride, concern, and identity of these areas for their residents, particularly the children who are identified as at-risk students.

The Galveston Independent School District is interested in and supportive of the City's grant application for the Brownfields Pilot Project, and I hope every consideration will be given to their request for funding. The school district has worked collaboratively with the City on many initiatives over the years, and is willing to cooperate in any way possible to help achieve success of the project. I will serve as the contact person for the district and look forward to welcoming the Brownfields Project to Galveston.

Sincerely,

Henry Boening



Barry R. McBee, Chairman R. B. "Ralph" Marquez, Commissioner John M. Baker, Commissioner Dan Pearson, Executive Director



#### TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

Protecting Texas by Reducing and Preventing Pollution

December 4, 1997

OSWER Outreach and Special Projects Staff (5101) U.S. Environmental Protection Agency 401 M. Street, SW Washington, DC 20460

Re: City of Galveston Brownfields Economic Redevelopment Initiative

Dear Sir or Madam:

I am writing this letter to support the City of Galveston's grant application to EPA under the Brownfields Economic Redevelopment Initiative.

The Texas Natural Resource Conservation Commission's Voluntary Cleanup Program (TNRCC - VCP) has worked on several brownfields projects in Galveston and we are encouraged by the city's initiative in developing and completing this project.

I am confident that a cooperative approach between the TNRCC and the City in identifying the scope of brownfields problems in Galveston, and creative ways to promote redevelopment of these areas will be realized. I look forward to working with the City to achieve these goals and urge your consideration of this grant application.

If you have any questions, please call me at 512/239-2498.

Sincerely.

Charles Epperson

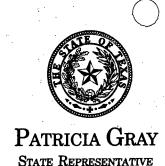
Manager, Voluntary Cleanup Section

Pollution Cleanup Division

cc: Steve LeBlanc, City Manager, City of Galveston Henry Freudenburg, III, Mayor, City of Galveston

P.O. Box 13087 • Austin, Texas 78711-3087 • 512/239-1000 • Internet address: www.tnrcc.state.tx.us

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DISTRICT 23

CAPITOL EXTENSION E2.708 \*P.O. BOX 2910 AUSTIN, TEXAS 78768-2910 (TEL) 512-463-0588 (FAX) 512-478-1887

COMMITTEES:
CIVIL PRACTICES, CHAIR CORRECTIONS
GENERAL INVESTIGATING
SUNSET COMMISSION, VICE CH

December 9, 1997

KMA Environmental Services P. O. Box 92 Texas City, Texas 77592-0092

Re: Brownfields Project

Dear Mr. Turner and Mr. Thomas,

I am pleased to lend my support to the City of Galveston's application for a Brownfields Pilot Project Grant. As a member of the state legislature, I have been a strong advocate of such economic redevelopment efforts. I believe that such efforts benefit both the economy and the environment of our communities. I am especially pleased that Galveston is working to improve the Old Central/Carver Park Neighborhood because this location has great potential for boosting economic development in the heart of our city.

Please let me know if I can provide any further assistance. This is an issue I care deeply about and I am very interested in helping it succeed.

Sincerely,

Patricia Gray



123 Rosenberg 77550 P.O. Box 328 77553 Galveston, Texas

Galveston (409) 766-6103 Houston (281) 286-2484 Fax (409) 766-6171 Email: gmptgalv@phoenix.net

November 20, 1997

Ron R. Surovik
Port Director

Mr. J.W. Turner, P.E. KMA Environmental Services, Inc. P.O. Box 92 Texas City, Texas 77592-0092

Dear Mr. Turner:

The Port of Galveston, as a major stakeholder in the economic redevelopment of our city, would like to express our support of the Brownfields Pilot Project.

The Port is a vital economic engine for the economy of our community and takes great interest in any project that will enhance the economic environment of the city. The Port attempts to attract international commerce to generate jobs and revenue for our area. We take pride in being a cooperative partner in the community's economic redevelopment and want to support the effort of the City in its application process.

Please feel free to contact me if I can be of any assistance to you or the community as they move forward to secure the application. Galveston deserves the opportunity to reestablish our resources and project a positive competitive image to entice prospective businesses that will rejuvenate our economic infrastructure.

I look forward to working with you and the City entities to make economic redevelopment a focus for the future.

Sincerely,

Ron R. Surovik Port Director

cc: Steve LeBlanc, City Manager



# **GALVESTON COUNTY HEALTH DISTRICT**

#### GALVESTON COUNTY COORDINATED COMMUNITY CLINICS

PRIMARY HEALTH CARE ENVIRONMENTAL HEALTH PREVENTIVE HEALTH

December 8, 1997

KMA Environmental Services, Inc. P.O. Box 92 Texas City, Texas 77592-0092

Attn: J.W.(Win) Turner, P.E.

Dear Win Turner:

The Galveston County Health District Pollution Control Division has been made aware of the City of Galveston's plan to apply for a United States Environmental Protection Agency (USEPA) Brownfields Pilot Project Grant under their Brownfields Assessment Demonstration Program. The Honorable Henry Freudenburg, mayor of the City of Galveston and Mr. Steve LeBlanc, City Manager has forwarded a letter to me of their proposal and general information about the Brownfields project.

This letter constitutes a statement of support and cooperation with the City of Galveston to work toward the goals set forth in their proposed Brownfields initiative. If you desire any additional information concerning our support and cooperation, please do not hesitate to contact me at (409) 938-2314.

Sincerely:

Ronald B. Schultz, Ir.

Pollution Control Director

Galveston County Health District

/RBSJr.

xc. Mr. Steve LeBlanc, City Manager



# GALVESTON COUNTY Small Business Development Center A Partnership between Galveston College and College of the Mainland.

November 21, 1997

J.W. Turner, P.E. or Frank W. Thomas, P.G. KMA Environmental Services, Inc. P.O. Box 92
Texas City, TX 77592-0092

Dear Sirs:

The Galveston County Small Business Development Center would be happy to lend its support to the City of Galveston's Brownsfields Pilot Project.

As a Small Business Development Center (SBDC), our main function is to guide and counsel those who have small businesses or who wish to start small businesses. This guidance can be on any of a wide variety of small business issues. We counsel on issues such as business planning, feasibility, securing a business loan, marketing, and bookkeeping, to name a few. The SBDC would be happy to offer these same free services to those businesses or aspiring businesses that are interested in locating in the redevelopment area. It should be noted that the SBDC has access to a wide range of services and resources outside its own office such as government procurement services and the Texas Smart Jobs grant programs.

There may be other ways that the Small Business Development Center could be of use in this project and we would be happy to explore those possibilities.

Please contact me if I can be of assistance.

Leogette Peterson

Sincerely,

Georgette Peterson

Director



# GALVESTON ASSOCIATION OF REALTORS, INC.

212 COTTON EXCHANGE BLDG.

Area Code 409-765-6250 AFFILIATED WITH GALVESTON, TEXAS 77550

TEXAS ASSOCIATION OF REALTORS
AND

NATIONAL ASSOCIATION OF REALTORS



DEC 1 1997

OFFICE OF CITY MANAGER

RECEIVED

11/26/97

Attn: The Honorable Henry Freudenburg, III and Mr. Steve LeBlanc City of Galveston P.O. Box 779

Galveston, TX 77553

#### Gentlemen:

Your letter dated 11/13/97 requesting the support of the Galveston Association of REALTORS® for the City of Galveston's Brownfileds Pilot Project was presented at our 11/26/97 Board of Directors meeting and it received unanimous endorsement. You have our support in this project and we salute your efforts.

Your contact persons here at G.A.R. will be our current President, Mr. Gary Greene (737-5200) or our 1998 President, Ms. Carolyn Clyburn (763-8030).

Sincerely,

Bruce Landry

Executive Officer, GAR

C. council Obty manager





DEC 1 1997

OFFICE OF CITY MANAGER

# KOTESTLAS ES TEKUSO

JAMES D. YARBROUGH COUNTY JUDGE

November 26, 1997

Steve LeBlanc

City-Manager-

City of Galveston

P.O. Box 779

Galveston, Texas 77553

Dear Steve.

On behalf of the Galveston County Economic Development Alliance, I am pleased to support the City of Galveston's application for a Brownfields Pilot Project Grant from the U.S. Environmental Protection Agency.

Deterioration of Galveston's Old Central/Carver Park neighborhood, a focal point of the brownfield study, is a concern of the county initiated Alliance as well. The information obtained in this important study will help both the City of Galveston and the Alliance achieve a critical objective. This study will bring new investment, new jobs and a healthier tax base to this economically depressed area of Galveston County.

In this increasingly competitive business environment, government and private industry must become active and willing partners for progress. Our support of Galveston's brownfield project is an example of just such a partnership.

We look forward to working with the City of Galveston on its brownfield initiative as well as on other economic development projects beneficial to the citizens of Galveston County.

Sincerely,

James D. Yarbrough

JDY/bjm H/BRWNFLOGRNT

#### TEXAS HOUSE OF REPRESENTATIVES

TTOL, EXTENSION E2.814

BOX 2910

STIN, TEXAS 78768-2910

(512) 463-0502

FAX (512) 469-0149

REPEILAND@AOL.COM

WWW.CRAIGEILAND.COM



225 FM 517 West, Sutte 1 Dickinson, Tx 77539 713-534-4492 1-800-345-2630 409-763-3260

# CRAIG EILAND

December 9, 1997

VIA FAX 409-943-4744

Mr. J.W. Turner, P.E. KMA Environmental Services, Inc. P.O. Box 92 Texas City, Texas 77592-0092

Dear Mr. Turner:

Please accept this letter in support of the City of Galveston's Brownfields Pilot Project. I am intrigued by such a proposal, and would like to be a part of its implementation.

I am strongly supportive of proposals that aim to encourage and provide incentives for redevelopment of the economically disadvantaged parts of the city. This pilot project seems to be an opportunity to create jobs and bring some of the area's forgotten properties back to life. Such a program could have a positive impact on Galveston for years to come.

Therefore, please accept my support for the Brownfields Pilot Project. Feel free to contact me for any further assistance I may provide in my role as a state representative.

Sincerely yours,

Craig EILAN Eiland

ACE:mv



# Congress of the United Scates

# House of Representatives

**W**ashington, **BC** 20515-4309

COMMITTEE ON TRANSPORTATION

COMMITTEE ON SCIENCE

NICK LAMPSON
9TH DISTRICT, TEXAS

December 1, 1997

The Honorable Henry Freudenburg, III Mayor, City of Galveston PO Box 779
Galveston, Texas 77553

Dear Mayor Freudenburg:

I am pleased to write in support of the City of Galveston's application to the Environmental Protection Agency (EPA) for a Brownfield Pilot Project Grant.

The City of Galveston is to be commended for taking the lead on this project. I am aware that the overall goal will be to encourage and provide incentives for the redevelopment of the Old Central/Carver Park neighborhood. It is very important to begin turning around this abandoned and underused area and once again make it economically and environmentally productive.

Please know that I am happy to assist the City of Galveston in this effort. With successful approval by EPA, residents of Old Central/Carver Park will gain valuable information and new strategies for promoting environmental cleanup and establish this site through redevelopment or expansion for productive uses.

Sincerely,

Nick Lampson

Member of Congress

NVL/sa

300 WILLOW, SUITE 8104, BEAUMONT, TX 77701 (409) 838–0061 601 ROSENBERG, SUITE 216, GALVESTON, TX 77550 (409) 762–5877 TOLL FREE 888–838–0061

COMMITTEES:
APPROPRIATIONS
COMMERCE, SCIENCE,
AND TRANSPORTATION
RULES AND ADMINISTRATION

# United States Senate

WASHINGTON, DC 20510-4304

December 1, 1997

The Honorable Henry Freudenburg, III Mayor, City of Galveston P.O. Box 779 Galveston, Texas 77553

Dear Henry:

I am pleased to support the city's application for their Brownfields Pilot Project grant submitted to the U.S. Environmental Protection Agency.

I am familiar with the EPA's Brownfields Assessment Demonstration Program and support the goal to identify brownfield sites and return them to productive economic use.

The city's project located within the state-designated Enterprise Zone and focusing on the Old Central/Carver Park Neighborhood appears to be worthy of assistance through the EPA program.

I commend you and your partners for taking the initiative to develop a coordinated plan to revitalize this economically distressed area. I am pleased to support your application for the Brownfields Pilot Project to encourage the EPA to assist in this project that will also improve the environment.

Please know that I and my staff stand ready to assist you on this and future projects.

With best wishes.

Sincerely,

Kay Bailey Hutchison

Bailey Hutchison

KBH/had

Reply to: 1919 Smith Street #800 Houston, Texas 77002 PHIL GRAMM

# United States Senate

WASHINGTON, D. C. 20510-4302

December 9, 1997

The Honorable Carol Browner
Administrator
U.S. Environmental Protection Agency
401 M Street, S.W.
Washington, D.C. 20460

Dear Administrator Browner.

I am writing on behalf of the City of Galveston and its application for a Brownfields Pilot Project Grant from the EPA's Brownfields Assessment Demonstration Program.

The City of Galveston and the Galveston Chamber of Commerce have been working diligently to encourage and provide incentives for the redevelopment of the city's economically and environmentally distressed areas. Successful redevelopment of abandoned brownfields is an essential part of the city's efforts in this regard. I urge your prompt and favorable review of Galveston's application, and I support the city's efforts to eliminate its environmental hazards in an economically productive manner.

Thank you in advance for your attention to this matter.

Yours respectfully,

PHIL GRAMM

United States Senator

PG:wg1

#### APPENDIX E



#### City of Galveston Brownfields Pilot Project

- State A one-time state sales tax refund of up to \$5,000 of taxes paid for machinery and equipment for use in the enterprise zone by a qualified business that has operated in a state-designation enterprise zone for at least three years and retains at least 10 jobs. The refund is based upon \$500 for each job retained.
- State A one-time franchise tax refund of up to \$5,000 based upon \$500 for each new job created by a qualified business in a state-designated enterprise zone when at least 10 new jobs have been created.
- State Priority and preference for all economic development programs of the Texas
  Department of Commerce and potential for priority or preference for other programs
  administered by the State.
- Local A qualified business in a state-designated enterprise zone may be eligible for up to a 5% reduction on electric utility rate upon negotiation with local electric utility service provider.
- Local Tax abatements will be offered to Projects that meet the requirements se forth by each of the five local taxing entities.
- Local One-time ½ cent sales or use tax refunds for building materials or machinery and equipment for use in the zone. This refund will be capped at \$2,000 per Project.
- Local Waiver of development fees. The one-time waiver of fees will be capped at \$500 per Project.
- Local Accelerated zoning and permit procedures.
- Local An Enterprise Zone Incentive Loan with a floating interest rate at National Prime.
   Local banks are participating in this program and it is offered at no cost to the City of Galveston.
- Local Job training and services from the Small Business Development Center programs through Galveston College.